Our business positioning
<table>
<thead>
<tr>
<th><strong>Who we are</strong></th>
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<tbody>
<tr>
<td><strong>African and European focused provider of logistics and market access solutions</strong></td>
<td><strong>Focus on five key industries – healthcare, consumer, automotive, chemicals and industrial</strong></td>
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<tr>
<td><strong>Listed on the Johannesburg Stock Exchange in South Africa</strong></td>
<td><strong>Ranked among the top 30 global logistics providers</strong></td>
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<tr>
<td><strong>Take our clients’ products to some of the fastest growing &amp; most challenging markets in the world</strong></td>
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**Employ over 27 000 people in 32 countries**

**Annual revenue of c.R50bn / USD2.8bn**

**Annual operating profit of c.R2.5bn / USD140m**

**Provide access to quality medical products, consumer goods and other products & services**

**Support & invest in our countries & communities of operation - integrating ESG into daily business practices**

**Seek out and leverage technology to deliver innovative, integrated, end-to-end solutions**
Our solutions: market access

• We take ownership of product inventory to provide our clients with unparalleled access to their end-consumers through an integrated logistics & sales service

• Leverage sourcing, warehousing, distribution, synchronisation & transportation management as enablers

Our core offerings:

• Integrated market access services & logistics solutions
• Healthcare & consumer distributorships
• Multi-market aggregation
• Sourcing & procurement
• Emergency relief & kitting
• Marketing & promotion services
Our solutions: logistics

• With deep expertise, we expertly manage the movement of goods on behalf of clients between specified sources & destinations

• Skilfully navigate different transportation modes (road, river, rail, air and ocean) & utilise a range of transportation types

• In order to reduce their time-to-market, improve customer service & mitigate risk we also work in partnership with our clients to integrate logistics functions - including warehousing, distribution and synchronisation management - into their end-to-end supply chain

• When the outsource relationship is at the height of its maturity, we act as the Lead Logistics Provider (LLP) - managing multiple supply chain functions on our clients’ behalf

Our core offerings:

• Air & ocean freight management

• Road freight management

• Contract logistics

• Lead logistics services
Our solutions & industry positioning

**Revenue by industry (%)**

- **South Africa**: diversified solutions across many industries & clients - support resilience of this business in a low-growth environment
- **African Regions**: strongly positioned in healthcare & consumer - sustainable, fast growing & defensive industries across Africa
- **International**: industry exposure is still largely focused on low-growth, declining German manufacturing (chemicals, steel). Portfolio being aligned to diversify industry exposure & explore growth opportunities in other markets - leveraging our expertise in these industries in Europe - to support trade flows & our supply chain into & out of Africa

**Revenue by business (%)**

- **South Africa**: strong positions in freight & contract logistics support our diversified solutions. Growth opportunities in market access (mainly consumer & healthcare)
- **African Regions**: continue to strengthen & grow our market access position - a key driver to providing integrated, logistics supply chain & market access solutions, into & out of Africa
- **International**: Strategically aligning our current portfolio. Expansion of specific capabilities, industries & a shift primarily towards freight (air & ocean) - to support trade flows & our supply chain into & out of Africa
End-to-end value chain

1a Raw materials
1b Packaging
2 Manufacturing
3a Warehousing
4 Distributors
5a Formal retail
5b Informal retail
6a Retail services demand generation
6b Retail services demand generation
7a Consumer
7b Consumer

- Air & ocean; sourcing & procurement
- Exports
- Air & ocean
- Imports
- Air & ocean; sourcing & procurement
Scale & operational agility

### South Africa
- Consumer goods deliveries annually
  - >50,000 points annually
- >3.1 billion litres of fuel delivered
- 1.6 million tonnes of packaging moved
- Manage > 1 million m² of warehousing space

### African Regions
- Provide point of care & retailer level deliveries to >4,200 delivery points in Kenya, >1,300 in Ghana & more than >52,000 across Nigeria
- Own & operate >200,000 m² warehousing of in the healthcare & consumer industries

### International
- 23 automotive warehouses in Europe deliver value-add logistic for the annual production of >2.3 million cars
- Western Europe’s largest provider of express palletised distribution services
  - handling 10 million pallets per year
- A significant player in the European chemical industry
Advancing our strategic transformation journey
Navigating extraordinary times

• We are managing businesses in a time of great uncertainty

• As an essential services business our priorities are to:
  › protect our staff & operations from COVID-19 infection
  › aid the economies & citizens of the countries in which we operate by delivering vital medication, food & other essential goods & services
  › extend a helping hand to governments, NGOs & communities in this time of need
  › maintain a sound financial position
  › continue to execute on our strategic imperatives to make us resilient into future

• We are not deviating from our strategic journey:
  › transforming from a portfolio of regional businesses to an integrated end-to-end market access & logistics business
  › strategic intent of becoming the ‘Gateway to Africa’ & ‘One Imperial’
  › transforming from an asset heavy 3PL logistics player to an innovative asset light business - using data, technology & our unique market access business as a differentiator
  › developing & retaining top talent
  › integrating ESG practices

• Preparing our business for a post-pandemic world - ensuring a resilient, sustainable business with a purpose
Advancing our strategic transformation journey

We have embarked on a journey to transform Imperial from a regional portfolio of businesses to offer an integrated, end-to-end service which will deliver simplicity, flexibility & visibility to clients - supporting our positioning as the ‘Gateway to Africa’

• As we continue to advance our strategic transformation journey we will:
  › further optimise our current operations by making them lean
  › exit non-core, low return on effort & underperforming businesses
  › service our clients profitably & executing flawlessly
  › grow organically while still executing on our strategy
  › continue to invest in our ‘Gateway to Africa’ & ‘One Imperial’ strategic imperatives
  › continue to invest in innovation, digital & disruptive technology
# The 6 pillars of our business strategy

**Operate as ‘One Imperial’, offering unique end-to-end solutions**
- Understanding industries & client needs
- Offering unique integrated logistics solutions and market access solutions
- Becoming a trusted brand
- Sharing capabilities for economies of scale & skills
- Ability to forward & backward integrate - “one stop shop”

**Extensive Africa footprint - serving as a gateway to Africa**
- Becoming the leading market access/logistics partner in Africa
- Focusing in key industries
- Leveraging global footprint & scale
- Ensuring local relevance

**International footprint & expertise**
- Give us access to first world technology & industry trends
- Broader multi-national client base that can be leveraged into Africa
- Creates cross-selling & upselling opportunities
- Enhances our client marketing opportunities & positioning
- Grow into new markets & capabilities outside Africa such as air/ocean & new emerging markets

**Go digital, be digital, enable digital**
- Becoming data & insights driven (internally and for our clients)
- Leveraging technology platforms
- Establishing partnerships & expand ecosystem

**People are our greatest asset**
- Creating a ‘One Imperial’ culture
- Transforming leadership diversity & mindset
- Attracting & retaining the best talent & skills
- Protecting our licence to operate & reputation
- Proactively managing and investing in ESG as part of our daily course of business
- We care about our communities, environment & countries of operation
- Purpose trumps profit – particularly in a post COVID-19 world

**Integrating environmental, social & governance practices**
- Give us access to first world technology & industry trends
- Broader multi-national client base that can be leveraged into Africa
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Progressing against strategy initiatives

• The decisive strategic actions that we undertook as a business over the last 15 months have stood us in good stead as we now navigate these uncertain times
  › removing c. R385 million p.a of fixed overhead costs
  › the closure of the CPG business in South Africa
  › the disposal of European shipping

• Despite the disruptions of COVID-19 related restrictions the business has remained focused on strategic delivery
Strategic progress: growing in Africa, including South Africa

- Four new acquisitions were successfully concluded at the end of December 2019 - all enhancing market access position in Africa with R584 million spent
- Simplified Solutions in Healthcare added new principals of c. USD12m with a healthy new business pipeline
- Added sourcing & procurement capabilities to other industries (previously only healthcare)
- Market access capability in South Africa: onboarding new business
- Appointed a new CEO in South Africa in March
- Leveraging best in class processes, practices & technology across the market access, freight & contract logistics businesses

In progress

- Exit underperforming, low return on effort businesses
- Exploring acquisitions in healthcare and consumer in African Regions that complement our existing footprint
- Demand generation, light contract manufacturing & brand partnership services are being expanded
- In South Africa:
  › further rationalisation, consolidation & restructuring in upcoming months
  › transforming the operating model & mindset under new leadership
  › creation of a focused asset-light road freight management capability in the region
Strategic progress: aligning our International portfolio

• Finalised agreement for the disposal of European shipping business - at a competitive price & in line with our original timeline
• Acquisition of Mex Logistics - a Turkish air & ocean freight forwarding company
• Moved Imperial Clearing & Forwarding in South Africa into this division
• Establishing our Lead Logistics Provider capability

In progress:
• Continue with the sale of the South American shipping business separately, anticipate to conclude within 12 months
• Exploring expansion opportunities into air/ocean freight management - will be cautious investing in new acquisitions in calendar 2020
• Exit non-core, low return on effort & underperforming businesses
• Appointed a Group Chief People Officer
• Key Black & female management appointments made at both group EXCO & the South Africa EXCO/senior management levels
• Transforming our culture – key to achieving our ‘One Imperial’ strategic intent
• Established & advancing our global & regional women’s forums
• Appointed a Group Chief Digital Officer
• Our innovation fund in partnership with Newtown Partners continues to record significant activity, leveraging disruptive innovation & new technologies for competitive advantage
• Our key digital initiatives include:
  › Control towers - enable hospitals, other healthcare providers & suppliers to improve processes, collaborate more closely & operate more efficiently at lower cost
  › Point of sale integration - consumer demand patterns, funding & finance; supply chain visibility; working capital management; new revenue streams
  › e-Commerce fulfillment - direct-to-consumer warehousing & delivery management capabilities
  › Value from data - harvesting & consolidating data leading to extracting & interpreting insights internally and to benefit our principals
  › Digital fleet management - reduce capex, diesel spend, overtime, tyre spend & insurance through visibility, analytics & action
  › Mobile commerce - sales force automation, trader enablement & integrated order-to-cash processes
Strategic progress: ESG

- Integrating ESG into our strategy & business practices, including establishing a CSI/ESG Committee
- Developed & rolling out group wide ESG & climate change policies & guidelines (the first for the group)
- Advancing ESG reporting standards & global membership (including green-finance facility)
- Continuing to invest in our communities through strategic CSI initiatives across regions
Responding with diligence, tenacity & empathy

• COVID-19 is, first & foremost, a humanitarian challenge & our response has been a deeply humane one

• Our response to the pandemic encompasses these distinct phases:
  › Resolve: addressing the immediate challenges COVID-19 represents to our workforce, clients & business
  › Resilience: addressing the economic knock-on effects, short term cashflow management challenges & resilience
  › Return: creating detailed plans to return businesses to scale quickly as COVID-19 situation evolves & knock-on effects become clearer
  › Re-imagination: re-imagining the new normal & the implications for our business & strategy
  › Reform: anticipating & managing the shifts in industry, regulatory, consumer behaviour & competitive environments

• We will continue to learn & adapt
  › adjusting strategy & operations to leverage inherent opportunities
We continue to support key stakeholders in 32 countries of operation:

• Providing support to staff & prioritising their safety
• Achieving high service levels - in certain cases we have put in additional capacity so that our clients can meet increased demand
• Continue to service our market access channels where possible
• Non-Executive Directors reduced their fees from April until the end of June 2020 by 25%
• Group Executive Committee taking up to a 25% salary cut from April until the end of June 2020
• R5 million contributed to the Solidarity Fund in South Africa
• R5 million contributed to the Giving for Hope Foundation
• R500 000 contributed to Gift of the Givers humanitarian organisation
• Sourced & delivered 1000s of cubic meters of PPE & medical-grade hand sanitisers for public & private sectors in South Africa & Europe
• Partnering with charity organisations, providing vehicles & resources to deliver food parcels & other basic needs to communities
<table>
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<tr>
<th>Socio-economic shift</th>
<th>Anticipated response</th>
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<tr>
<td>Border restrictions &amp; other limitations on the movement of goods &amp; people will see the growing prevalence of local manufacturing &amp; on-shoring</td>
<td>Shortening supply chains &amp; support for local manufacturing - major logistics &amp; market access opportunity</td>
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<tr>
<td>Clients will rethink their supply chains</td>
<td>Greater demand for visibility &amp; resilience - providing data &amp; technology solutions - key differentiator</td>
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<tr>
<td>Slow economic recovery</td>
<td>Clients will look to outsource more &amp; focus on core capabilities</td>
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<td>Strong pipeline of new opportunities</td>
</tr>
<tr>
<td>Further changes in industry structures, consumer behaviour, marketing positioning must be anticipated &amp; accommodated</td>
<td>Logistics industry is resilient &amp; will become more relevant &amp; stronger as these changes happen</td>
</tr>
<tr>
<td>Consumer behaviour will change &amp; the rise of the contact free economy will continue</td>
<td>e-commerce, online consumer engagement, tele medicine etc. will shape business models – excellent opportunity in Africa as current service levels have significant room for improvement</td>
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<tr>
<td>Ways of working will change</td>
<td>Remote &amp; flexible working conditions will become the rule rather than an exception</td>
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<td>This will present opportunities for efficiencies &amp; cost saving</td>
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<tr>
<td>Greater government &amp; regulatory intervention &amp; scrutiny</td>
<td>Pressure to holistically &amp; visibly embrace the principals of ESG will increase</td>
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<tr>
<td>Corporate value &amp; shared value will be subject to close &amp; critical evaluation &amp; the concept of value creation will be more widely defined &amp; applied than ever before</td>
<td>Organisations will need to give employees, communities &amp; growth in share price equal priority - Purpose will trump Profit!</td>
</tr>
<tr>
<td>Increase demand for products &amp; investment in capacity in healthcare industry</td>
<td>Ideally positioned based on our end-to-end value chain – sourcing, procurement, distribution, market access, mobile clinics etc. c.20% of revenue generated from healthcare industry</td>
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Operating performance for 9 months ended 31 March 2020
Operating performance for 9 months ended 31 March 2020

• Delivered an unsatisfactory performance from continuing operations (excluding European shipping)
  › grew revenue
  › reduced operating profit

• Benefitted from new contract gains, significant cost cutting, portfolio rationalisation & restructuring undertaken in F2019

• Offset by increasingly challenging macro-economic conditions & COVID-19
  › lower volumes & margin pressure across the business
  › increase in activity & volumes as lockdown restrictions are easing in our key markets

• Securing new business across the group
  › new business revenue of R4.9 billion (annualised) gained in the 9 months to end March 2020
  › strong pipeline of new business opportunities

• c.80% of contracts renewed
South Africa: performance for 9 months ended 31 March 2020

• Double-digit revenue growth
• Operating profit declined due to COVID-19 & related once off costs
• c. 70% of this business is currently in operation; up from c.55% at end of March & April
• Some key sectors still impacted
  › tobacco industry remains closed
  › fuel volumes are depressed due to lack of demand
• Performance is anticipated to remain at current levels until lockdown restrictions in South Africa are lifted further
• Further restructuring & consolidating business units to:
  › reduce costs
  › remove complexity
  › right-size the business for a tougher economic environment
  › exit underperforming, low return on effort businesses
African Regions: performance for 9 months ended 31 March 2020

• Resilient performance
• Mainly engaged in healthcare & consumer goods sales & distribution - with close to 100% of revenue generated from these two industries
• Increased revenue; benefitted from new acquisitions & new contract gains
• Lower operating profit, due to reduced volumes
• Operating margins are under pressure
• Many of our countries of operation are in lockdown or partial lockdown
• While we are still able to service most of our market access channels in consumer, demand has reduced due to lower activity
  › mainly in markets where sales of liquor & tobacco were negatively impacted
• Strong order book in Imres – sourcing & procuring medical supplies & kitting for aid & relief organisations
  › supply & delivery of products from India remain a concern
• In excess of c.120 days paid-up stock in Nigeria, which positions us well to deal with the currency risks in the country
• Most impacted by the pandemic
• Significant reduction in volumes & activities in March & April
• Automotive contract logistics & related transport businesses were most impacted (c. 36% of revenue generated from automotive)
• Volumes in chemicals & related shipping businesses were less impacted (c.31% of revenue generated from chemicals)
• Other businesses remained operational but recorded declining volumes
• Many countries in Europe are now easing lockdown restrictions
• Some OEMs in Germany slowly returning to production
• Increase in activity and volumes since March – currently operating at c.70% of normalised revenue
• Recovery is dependent on the duration of the crisis & time taken to restore the broken supply chains
Maintaining a sound financial position
Maintaining a sound financial position

• Safeguarding & preserving our balance sheet, managing debt levels to remain within bank covenants, maintaining liquidity & preserving cashflows
  › proactive measures to reduce fixed overhead costs
  › moratorium on all capex spend
  › optimising working capital
  › generating operating cashflows
  › South Africa & International businesses to reduce overhead costs through further portfolio rationalisation & consolidation & restructuring in upcoming months

• Proceeds from European shipping disposal will be used to:
  › reduce the Company’s existing debt upon closing
  › provide capacity to pursue our strategic objective of investing in new areas that enhance our African growth vision

• Imperial’s net debt:EBITDA will remain below 2.5x (subject to currency fluctuations), on receipt of these proceeds
  › sufficient headroom against our maximum net debt:EBITDA covenants of 3.25x
  › provides balance sheet resilience in a tough environment (COVID-19)

• Continue to explore growth opportunities but will be cautious in investing in new acquisitions in the current calendar year
Guidance for FY2020

- Many of our markets are facing increasing uncertainty & volatility
- The impact of the COVID-19 pandemic will significantly impact our operations & performance in the short term
- At this stage, for continuing operations (excluding European shipping) in F2020, we anticipate:
  › revenue will be maintained compared to F2019
  › operating profit & HEPS expected to decrease by more than 20% compared to F2019

While we will continue to meet the demands & manage the implications of the pandemic in the short term, we will ensure that significant time & energy is given to delivering against our strategy - to build a sustainable & resilient business with a purpose, well into the future
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